



Information Update

Guidelines for Estimating Elk Cow Calf Costs Based on a Herd of 15 Cows

Date: February, 2000

This guide is designed to provide planning information and a format for calculating costs of production on a 15 elk cow calf enterprise. The production costs included in this enterprise budget are not intended as a cost study of the elk industry in Manitoba.

The budget estimates are based on a number of assumptions which are clearly defined in the supporting pages. Input costs are based on recommended practices and/or information obtained from producers. Good management is assumed in that a balanced ration is being fed, livestock are on a herd health program and handling facilities are included.

The budget may be adjusted by putting your figures in the appropriate column. Each producer is encouraged to determine their own costs of production based on their own inputs, pasture program and management.

ELK COW-CALF PRODUCTION COST SUMMARY - 2000

(Based on a 15 head cow herd)

A. OPERATING COSTS	<u>\$/COW</u>	<u>\$ TOTAL</u>	<u>Your Cost</u>
1. Feed Costs:			
1.01 Hay	\$86.40	1,296	_____
1.02 Grain	\$17.96	269	_____
1.03 Supplement	<u>\$52.57</u>	<u>789</u>	_____
Total Feed Cost	\$156.93	\$2,354	_____
2. Other Operating Costs:			
2.01 Vet. Medicine & Supplies	\$105.09	\$1,576	_____
2.02 Fuel, Mtce. & Repairs	\$53.34	\$800	_____
2.03 Utilities	\$20.00	\$300	_____
2.04 Death Loss	\$100.00	\$1,500	_____
2.05 Insurance	\$90.92	\$1,364	_____
2.06 Herd Replacement	\$583.33	\$8,750	_____
2.07 Land Taxes	\$10.00	\$150	_____
2.08 Miscellaneous	<u>\$8.33</u>	<u>\$125</u>	_____
Subtotal Operating Costs	\$1,127.94	\$16,919	_____
2.09 Operating Interest	<u>47.94</u>	<u>\$719</u>	_____
TOTAL OPERATING COSTS	<u>\$1,175.88</u>	<u>\$17,638</u>	_____
 B. FIXED COSTS			
3. Depreciation			
3.01 Buildings	\$59.70	\$896	_____
3.02 Machinery & Equipment	\$11.11	\$167	_____
3.03 Fence	\$27.00	\$405	_____
4. Investment			
4.01 Buildings	\$40.13	\$602	_____
4.02 Machinery & Equipment	\$5.65	\$85	_____
4.03 Livestock	\$586.67	\$8,800	_____
4.04 Pasture Land & Fencing	<u>\$40.15</u>	<u>\$602</u>	_____
TOTAL FIXED COSTS	<u>\$770.41</u>	<u>\$11,556</u>	_____
 C. LABOUR COSTS	\$150.00	\$2,250	_____
 TOTAL COST OF PRODUCTION	\$2,096.29	\$31,444	_____

ELK COW-CALF PRODUCTION COST WORKSHEET - 2000**Assumptions**

1. This budget outlines the cost of production for an elk cow calf enterprise with 15 elk cows, 1 herd bull and a 90% calf crop.
2. All feed is valued at fair market value.
3. Handling facilities include chutes and squeeze specifically designed for elk.
4. This budget assumes all replacements are purchased. Replacement rates on elk cows used are 10% and rates on the herd bulls are 50%.
5. Insurance rates used were for accidental insurance only; not full mortality.

Your Cost**A. OPERATING COSTS****1. Feed Costs:****1.01 Hay Costs**

Cows	5.00	kg hay/day
x	270	days/year
÷	1,000	kg/tonne
x	<u>\$60.00</u>	<u>/tonne</u>
=	\$81.00	/cow

Bulls	5.00	kg hay/day
x	270	days/year
÷	1,000	kg/tonne
x	\$60.00	/tonne
÷	<u>15</u>	<u>cows</u>
=	\$5.40	/cow

Total **\$86.40** **/cow**

Your Cost**1.02 Grain Costs**

Cows		0.50	kg oats/day	
	x	270	days/year	
	+	1,000	kg/tonne	
	x	<u>\$105.00</u>	<u>/tonne</u>	
	=	\$14.18	/cow	

Bulls		2.00	kg oats/day	
	x	270	days/year	
	+	1,000	kg/tonne	
	x	<u>\$105.00</u>	<u>/tonne</u>	
	+	<u>15</u>	<u>cows</u>	
	=	\$3.78	/cow	

Total		\$17.96	/cow	
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1.03 Supplement Costs

Cows		0.50	kg supplement/day	
	x	365	days/year	
	+	1,000	kg/tonne	
	x	<u>\$270.00</u>	<u>/tonne</u>	
	=	\$49.28	/cow	

Bulls		0.50	kg supplement/day	
	x	365	days/year	
	+	1,000	kg/tonne	
	x	<u>\$270.00</u>	<u>/tonne</u>	
	+	<u>15</u>	<u>cows</u>	
	=	\$3.29	/cow	

Total		\$52.57	/cow	
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2. Other Operating Costs:**2.01 Veterinary Medicine & Supplies**

Cows		\$20.00	parasite control	
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Calf		\$1.00	blackleg control	
	x	<u>90</u>	<u>% calf crop</u>	

Elk Cow Calf Costs

			<u>Your Cost</u>
	=	\$0.90 /cow	_____
Bull		\$20.00 parasite control	_____
	+	<u>15</u> cows	_____
	=	\$1.33 /cow	_____
DNA & Blood Testing			
Calves		\$64.20 DNA profile	_____
	+	\$21.40 blood test	_____
	+	<u>\$10.00</u> vet fees	_____
	=	\$95.60 total cost/calf	_____
	x	13 calves/year	_____
	+	<u>15</u> cows	_____
	=	\$82.85 /cow	_____
Total		\$105.09 /cow	_____

2.02 Fuel, Oil, Repairs & Maintenance

Machinery		\$200.00 annual fuel cost	_____
	+	<u>\$200.00</u> oil, repairs & maintenance	_____
	=	\$400.00 total cost	_____
	+	<u>15</u> cows	_____
	=	\$26.67 /cow	_____
Buildings, Fences etc.		\$400.00 annual repair & mtc.	_____
	+	<u>15</u> cows	_____
	=	\$26.67 /cow	_____
Total		\$53.34 /cow	_____

2.03 Utilities

		\$300.00 annual utilities costs	_____
	+	<u>15</u> cows	_____
	=	\$20.00 /cow	_____

Your Cost**2.04 Death Loss**

x	\$10,000	/cow investment
x	<u>1.0</u>	<u>(%) mortality rate</u>
=	\$100.00	/cow

2.05 Insurance

	\$22,300	bldg. & equip. investment
x	\$0.60	cost/\$100 capital
+	100	
+	<u>15</u>	<u>cows</u>
=	\$8.92	/cow

	\$160,000	herd investment
x	\$0.75	cost/\$100 capital
+	100	
+	<u>15</u>	<u>cows</u>
=	\$80.00	/cow

	\$30	add'l coverage for liability
+	<u>15</u>	<u>cows</u>
=	\$2.00	/cow

Total **\$90.92** /cow

2.06 Herd Replacement

Cows	\$10,000	/replacement heifer
-	<u>\$5,000</u>	<u>/cull cow</u>
=	\$5,000	net cost
x	<u>10.00</u>	<u>% replacement rate</u>
=	\$500.00	/cow

Bulls	\$10,000	/replacement bull
-	<u>7500</u>	<u>/cull bull</u>
=	\$2,500	net cost
x	50%	% replacement rate
+	<u>15</u>	<u>cows</u>
=	\$83.33	/cow

Total **\$583.33** /cow

Your Cost

2.07 Land Taxes

	\$150	land taxes
+	<u>15</u>	<u>cows</u>
=	\$10.00	/cow

2.08 Miscellaneous

	\$25.00	antler removal course
+	\$100.00	license fee
+	<u>15</u>	<u>cows</u>
=	\$8.33	/cow

2.09 Operating Interest

	\$1,127.94	subtotal operating costs
÷	2	average
x	<u>8.50</u>	<u>% operating interest rate</u>
=	\$47.94	/cow

Your Cost**B. FIXED COSTS****Capital Investment****Buildings & Improvements**

Handling Facilities	\$14,000	_____
Waterers (2 @ \$ 1000)	\$2,000	_____
Well & Pressure System	\$3,500	_____
Hydro (1 pole @ \$400)	\$400	_____
Total Cost	\$19,900	_____

Machinery

Tractor & Loader	\$2,000	_____
Miscellaneous Machinery	\$400	_____
Total Machinery Cost	\$2,400	_____

Land

Fence (.75 miles @ \$12,000/mile)	\$9,000	_____
Pasture (20 ac @ \$300)	\$6,000	_____
Total Fence & Pasture	\$15,000	_____

Livestock

Cows (15 @ \$10,000)	\$150,000	_____
Herd Bulls (1 @ \$10,000)	\$10,000	_____
Total Livestock Cost	\$160,000	_____

Total Capital Investment	\$197,300	_____
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3. Depreciation:

Original Value - Salvage Value
Useful Life

3.01 Buildings & Improvements

	\$19,900	original value	_____
-	\$1,990	salvage value	_____
+	20	years useful life	_____
+	15	cows	_____
=	\$59.70	/cow	_____

3.02 Machinery & Equipment

Elk Cow Calf Costs

Your Cost

Tractor & Loader	\$2,000	original value
x	100.00	% usage for Elk
=	\$2,000	portion for elk
-	\$600	salvage value
=	\$1,400	net cost
÷	10	years useful life
÷	15	cows
=	\$9.33	/cow

Miscellaneous	\$400	original value
-	\$80	salvage value
=	\$320	net cost
÷	12	years useful life
÷	15	cows
=	\$1.78	/cow

Total **\$11.11** /cow

3.03 Fence

	\$9,000	original value
-	\$900	salvage value
÷	20	years useful life
÷	15	cows
=	\$27.00	/cow

4. Investment:

$$\frac{\text{Original Value} + \text{Salvage Value}}{2} \times \text{Investment Rate}$$

4.01 Buildings & Improvements

	\$19,900	original value
+	\$1,990	salvage value
÷	2	average
x	5.50	investment rate
÷	15	cows
=	\$40.13	/cow

Your Cost**4.02 Machinery & Equipment**

Tractor and Loader	\$2,000	original value
x	<u>100.00</u>	<u>% usage for Elk</u>
=	\$2,000	portion for elk
+	<u>\$600</u>	<u>salvage value</u>
=	\$2,600	net cost
÷	2	average
x	5.50	investment rate
÷	<u>15</u>	<u>cows</u>
=	\$4.77	/cow

Miscellaneous	\$400	original value
+	<u>\$80</u>	<u>salvage value</u>
=	\$480	net cost
÷	2	average
x	5.50	investment rate
÷	<u>15</u>	<u>cows</u>
=	\$0.88	/cow

Total **\$5.65** /cow

4.03 Livestock

Cows	\$10,000	/cow
x	<u>5.50</u>	<u>investment rate</u>
=	\$550.00	/cow

Bulls	\$10,000	/bull
÷	<u>15</u>	<u>cows</u>
=	\$667	/cow
x	<u>5.5</u>	<u>investment rate</u>
=	\$36.67	/cow

Total **\$586.67** /cow

Your Cost**4.04 Pasture Land & Fencing**

Fence Investment	\$9,000	original value	_____
+	<u>900</u>	<u>salvage value</u>	_____
=	\$9,900	total value	_____
÷	2	average	_____
x	5.50	investment rate	_____
÷	<u>15</u>	<u>cows</u>	_____
=	\$18.15	/cow	_____
Land Investment	\$6,000	original value	_____
x	6	investment rate	_____
÷	<u>15</u>	<u>cows</u>	_____
=	\$22.00	/cow	_____
Total	\$40.15	/cow	_____

C. LABOUR COSTS

	15	annual hours per cow	_____
x	<u>\$10.00</u>	<u>hourly labour rate</u>	_____
=	\$150.00	/cow	_____

For more information contact your local Manitoba Agriculture and Food office.

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